GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:871
ANSWERED ON:22.11.2001
DECLINE IN CONSUMPTION OF PETROLEUM PRODUCTS
DINESH CHANDRA YADAV;SUSHIL KUMAR INDORA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the consumption of petroleum products during the first half of 2001-02 in the country has decreased in comparison to that of 2000-01;

(b) if so, the quantity of different petroleum products consumed, separately in the country during the said period;

(c) the estimate of the Government in respect of the demand of petroleum products in the next six months of the current year; and

(d) the reasons for decline in the demand of these products?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (d) : Information is given in the Statement at Annexure.

ANNEXURE

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA UNSTARRED QUESTION NO. 871 22.11.2001 REGARDING DECLINE IN CONSUMPTION OF PETROLEUM PRODUCTS.

(a) : Yes, Sir.

(b) : Sale/consumption of petroleum products including imports/sale by private parties in the first six months i.e. April - September of the years 2000-2001 and 2001-2002 are given below :-

(Figures in TMT)

April - September

PRODUCTS	2000-01			2001-02			%Growth
	PSUs	Imports/ Sales By Pvt. Parties+	Total	PSUs	Imports/ Sales By Pvt. Parties+	Total	
LPG	3129	216	3345	3450	201	3651	9.1
MS	3296	0	3296	3486	0	3486	5.8
SKO	5365	387	5752	5063	99	5162	-10.3
HSD	19397	20	19417	18375	0	18375	-5.4
Naphtha/NGL	3949	1972	5921	4153	1880	6033	1.9
ATF	1084	0	1084	1116	0	1116	3.0
LDO	742	0	742	622	84	706	-4.9
FO/LSHS	5658	711	6369	5873	520	6393	0.4
Bitumen	1205	5	1210	1066	61	1127	-6.9
Lubes	365	73	438	349	169	518	18.2
All Products	44983	5409	50392	44311	4462	48773	-3.2

+ Including Own/Group Company Consumption

PSU Sales include BRPL own consumption of Naphtha and FO/LSHS.

(c) : Revised Demand Estimate+ for the period October 2001 - March 2002 is given below :-

(Figures in TMT)

PRODUCTS	OCTOBER, 2001 - MARCH, 2002
LPG	4213
MS	3563
HSD	18725
LDO	675
FO/LSHS	6475
BITUMEN	1530
SKO	5300
ATF	1101
NAPHTHA/NGL	6238
LUBES	532
OTHER	2311
TOTAL	50663

+ Including Sales/Imports by private parties and own/group company consumption.

(d) : Some of the reasons for decline in the demand of petroleum products are given below :-

(i) Slow down in economy.

(ii) Industrial slow down leading to lower consumption of diesel by major consuming sectors of industry.

(iii) Increased use of CNG.

(iv) Gradual shift in mode of transportation of goods from road to rail.

(v) Impact of drought conditions in some of the States.

(vi) Change in crop pattern from paddy to cotton especially, in Northern Region requiring less use of diesel for pumping sets.

(vii) Reduced consumption of diesel for captive power generation due to grid electricity becoming cheaper.

(viii) Use of high capacity trucks (upto 50 tonnes), which has reduced per tonne/per k.m. consumption of diesel.

(ix) Drop in production/sales of commercial vehicles.